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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 22, 2014

Emily Lee
Zions Bank
7290 South Durango Drive
Las Vegas, Nevada 89113

Subject: Conditional Authorization for Full Release and Re-Assignment of Reclamation Surety, Certificate of Deposit # _____ Wall & Rock, Inc., Freedom From War Mine, S/039/0024, Sanpete County, Utah

Dear Ms. Lee,

Zions Bank is presently holding Certificate of Deposit (CD) # _____ for the benefit of the State of Utah, Division of Oil, Gas and Mining (Division), as a form of reclamation surety for Wall & Rock, Inc.'s Freedom From War Mine.

The Division anticipates receiving a request to transfer the permit from transferor Wall & Rock, Inc. (Todd Wilhite) and prospective transferee Boyd Brothersen (an individual). Once the necessary forms are received, the Division plans to approve the transfer conditional upon receipt of adequate reclamation surety.

To establish adequate surety for the prospective transferee, Mr. Brothersen, Mr. Wilhite and Mr. Brothersen have both verbally indicated their concurrence with allowing the principal funds in the existing CD (not including interest) to be transferred immediately from Wall & Rock, Inc.'s existing CD to a new CD in the name of Boyd Brothersen, and also for the total interest in the existing CD to be released to Wall & Rock, Inc.

As requested, this letter is to notify you of the proposed transfer. **Once the Division has received the appropriately signed and notarized permit transfer documents, and when the Bank has received written consent of both Wall & Rock, Inc., and Boyd Brothersen, the Division will send a letter to Zions Bank, authorizing Zions Bank to create a new CD with a principal amount of \$7,000 in the name of Boyd Brothersen. The CD would be held as a reclamation surety for the benefit of the Division and could not be released without the Division's authorization.** The mine identification number, S/039/0024, will be retained. A new CD Agreement letter will need to be completed. The CD Agreement letter can be found at https://fs.ogm.utah.gov/PUB/MINES/Minerals_Related/FORMS/MR-CD.

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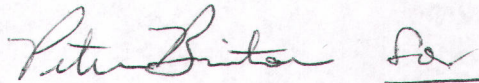
In the anticipated authorization letter, the Division will also approve release of the total interest associated with the existing CD (not the principal of \$7,000) to Wall & Rock, Inc, and the closure of the existing CD or removal of the Division as beneficiary on the existing CD. If Mr. Wilhite agrees, the total interest can also be released directly to the Utah Division of Oil, Gas & Mining for partial payment of outstanding fines.

State law requires that reclamation sureties be maintained for permitted mining operations. The Division requires that the transferred principal funds (\$7,000) be immediately placed in the new CD and not released to any party without Division approval.

When this transaction has been completed, please furnish the Division with written confirmation that appropriate funds have been released from Wall & Rock Inc.'s existing CD, and that the principal is retained in a new CD for Boyd Brothersen for his Freedom From War mine in the amount of no less than \$7,000.

Please contact Penny Berry at 801-538-5291 or myself at 801-538-5261 if you have questions about these procedures. Thank you for your help in this matter.

Sincerely,

A handwritten signature in dark ink, appearing to read "Paul B. Baker", followed by a horizontal line.

Paul B. Baker
Minerals Program Manager

PBB:pnb:pb

cc: Todd Wilhite, Wall & Rock Inc. (todd@computersales.com)
Boyd Brothersen (brothers@cut.net)

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